Shared Services Joint Committee
Wednesday 21st September 2022

Report Title	Libraries Support Services Variation Notice
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Executive Member	Cllr Adam Brown, Cabinet Member for Housing, Culture & Leisure, WNC Cllr Helen Howell, Executive Member for Sport, Leisure, Culture & Tourism, NNC

Key Decision	☐ Yes	☐ No
Is the decision eligible for call-in by Scrutiny?	☐ Yes	☐ No
Are there public sector equality duty implications?	☐ Yes	☐ No
Does the report contain confidential or exempt information (whether in appendices or not)?	☐ Yes	☐ No
Applicable paragraph number/s for exemption from publication under Schedule 12A Local Government Act 1972		

Contributors/Checkers/Approvers

Approver	Officer Name	Date Officer Approved Report
North MO West MO	Adele Wylie Catherine Whitehead	18th August 2022
North S151 West S151	Janice Gotts Martin Henry	18th August 2022
Other Director/SME	Kerry Purnell Joanne Barrett	18th August 2022

List of Appendices - None

1. Purpose of Report

To seek approval to proceed with the disaggregation of the Library Service Business Support service which is currently hosted by West Northamptonshire Council (WNC) and provided to North Northamptonshire Council (NNC).

2. Executive Summary

2.1 Since April 2021 the front-line library service and associated staff have been disaggregated and have been operating as separate North and West Northamptonshire services.

2.2 This report specifically focuses on the Library Support Service which is currently hosted by West Northamptonshire Council. There are 15.7 FTE non-frontline posts that provide management, development and support to the front-facing disaggregated Library Service.

2.3 At its meeting on 8th June 2022 the Shared Services Joint Committee resolved to reprofile the Libraries Support Services disaggregation timeline from 30th September 2022 to 31st March 2023. (See background papers section 8). The recommendation was approved to provide time for a detailed impact assessment to be completed with a view to presenting options for disaggregating the service to a future meeting of the Committee.

2.4 The report tabled at Committee on 8th June 2022 also noted a number of Statutory Requirements, Dependent Services, Partner Agencies and risks associated with splitting some IT services.

2.5 The recommended option for disaggregating the service is to disaggregate the Strategic Management function and some supporting professional and administrative functions with continued collaboration in commissioning of business support services (including Business and IP Centre Northamptonshire). Service structures in both WNC and NNC would be reviewed following disaggregation.

3. Recommendations

It is recommended that the Shared Services Joint Committee:

a) Approve the disaggregation of strategic management function and some supporting professional and administrative functions of Libraries Support Service on an equal basis by 31st March 2023, noting the budget, staffing, contracts and cost implications as set out within Sections 5 & 7 of the report.

b) Grant delegated authority to the Monitoring Officers for North and West Northamptonshire Councils to put into place a deed of variation to the Inter Authority Agreement (IAA) for the service to exit the IAA schedule 2D2.

c) Approve that both WNC and NNC will act in accordance with service Plans and any Collaborative Working Agreements agreed by both WNC and NNC

service leads and approved by Monitoring Officers until such time as a formal Deed of Variation has been completed.

3.1. **Reason for Recommendations –**
   a) The proposed option to disaggregate Libraries Support Services most closely aligns with the agreed requirement to disaggregate the service by March 2023, as set out in the Local Government Reform (LGR) Blueprint and in the Transformation Task and Finish Group Priority Disaggregation timeline, taking into account risks and constraints associated with IT system requirements.

   b) Ensures the Councils and customers receive the most benefit from the delivery of the Libraries Support service, by enabling the organisations to enable each Council to have strategic control of its Library Service and thereby tailor the service, to the local demographics and address the needs and priorities of the individual authorities.

   c) Ensures that there is minimal disruption to the provision of statutory duty. The options appraisal uses the principles for disaggregation set out by NNC and WNC and focuses on the following key areas:

   ❖ Avoid negative impact on customers of both Councils
   ❖ Provide best value for the taxpayer
   ❖ Disaggregate the service as far as possible to enable each Council to have strategic control of its Library Service
   ❖ Ensure that there is no disruption to the statutory duty of delivering a "comprehensive and efficient Library Service"

   The recommended option offers no negative impact on the customers of the Councils as they will still have full access to all libraries countywide and the combined resources of the entire collection of stock. They will also have continued access to the full Business & IP Centre Northamptonshire offer. There should be no service disruption as a result of this proposal as contracts and systems will remain in place with WNC ensuring continuity.

3.2. **Alternative Options Considered**

Three options have been considered

   Option 1: To change the arrangement of the host model to a lead model whereby WNC would become the lead authority delivering the Strategic Management, Professional and Business Support services for both WNC and NNC councils.

   Option 2: To fully disaggregate the remaining Strategic, Management, Professional and Business Support Services, effectively splitting the library service, its collections and customer database in two creating two much smaller library services.

Option 3 (The recommended Option) to disaggregate the library management and some professional services. Continued commissioning of business support services including Business and IP Centre Northamptonshire.

4. Report Background

4.1. Provision of management, professional and support services for Northamptonshire Libraries and Information Service (NLIS) is currently hosted in West Northants Council (WNC) and delivers the statutory duty of running the public library service for WNC and delivers services to North Northants Council (NNC) that enable them to meet their statutory duty.

4.2. In accordance with the Blueprint agreed by the Shadow Authorities in September 2020, The Library Service Management and Support element was due for disaggregation in September 2022.

4.3. A change request was approved by the Shared Services Joint Committee (SSJC) on 8th June 2022 to extend the timeframe for disaggregation so that an options appraisal and impact assessment could be completed.

4.4. There are 15.7 FTE staff providing support to all 34 libraries across the county. This includes one service manager, two strategic managers and various posts that maintain the IT systems and provide business support, professional services, coordination and support to the community managed libraries.

4.5. Service Functions
An outline of the service functions currently undertaken are:

- Strategic Leadership of the Library Service
- Provision, support and maintenance of key systems including the Library Management System, self-service machines, public computers and tablets and public wi-fi.
- Provision of stock including managing suppliers, procurement, processing, delivery of all physical book stock.
- Provision and maintenance of all electronic resources delivered by third parties including e-book and e-audiobook platforms.
- Provision of the Business & IP Centre Northamptonshire.
- Provision of support to all Community Managed Libraries.

5. Issues and Choices

5.1. In looking at the best way forward for the disaggregation of the Library Service the following principles were used to test the viability and effectiveness of each option:

- Avoid negative impact on customers of the Councils
- Provide best value for the taxpayer
- Disaggregate the service as far as possible to enable each Council to have strategic control of its Library Service
- Ensure that there is no disruption to the statutory duty of delivering a "comprehensive and efficient Library Service"

5.2. The Library Service has undergone a significant transformation since 2018 following a Judicial Review and the transfer to the community managed model for those libraries not required as part of the statutory provision. This had a substantial impact on council customers who were concerned about losing their local libraries and the provision of services from these. On this basis, further disruption to services should be avoided where possible.

5.3. Full disaggregation of the service would require the splitting and reallocation of the circa 600,000 items in the library collections which are currently available to all council customers countywide.

5.4. The Business and IP Centre Northamptonshire (BIPC) provides support, advice, resources and events for small businesses in NNC and WNC in partnership with the British Library. The BIPC network is a regional model and separate BIPCs for North and West Northamptonshire would not be supported as the funding model relies on economies of scale and joint buying power. On full disaggregation, North Northamptonshire would lose access to this service, disadvantaging small businesses in the North and losing potential funding.

Option 1 (Not recommended)– Move to a lead service arrangement with WNC as providing and NNC as receiving Authority

The support service would continue and would become a lead service arrangement with WNC as the provider and NNC as the receiver.

Whilst there are some benefits is terms of retention of skills and knowledge within one team, and no additional need for warehouse facilities if the Library support services remain centralised, this option is not recommended as it is not in accordance with the future service provision Blueprint and would negatively affect the ability of both WNC and NNC to tailor services to meet corporate priorities and the strategic vision of the individual authorities.

Option 2 – Full disaggregation of Library management, professional support and business support services

This option would essentially create two completely separate library services for each of the local authorities giving them maximum control over the service and fulfils the strategic vision to disaggregate these services and form two independent services.

However full disaggregation of the customer database and collections would lead to reduced service levels, reduced access to physical stock, and increased costs or reduction in lending resources. Additional budget would be required if levels of stock turnover are to be maintained as there will be some loss of economies of scale plus additional costs for duplication of supplier selection and servicing costs for stock.

The existing e-stock contracts will need to be split leading to duplication in platform costs and halving of the available stock for customers as e-books are purchased in the same way as physical books. i.e. They can only be lent to one customer at a time. The majority of countywide heritage and local history resources are housed at the Northampton Central Library. This includes many unique books, publications and microfilms that could not be split or duplicated and would therefore disadvantage NNC customers.

There are 2204 Virtual members of the library service who solely access online services. On the Library Management System, these belong to the service rather than any individual library. If the service is disaggregated, then these members will need to be contacted as their memberships will have to cease and they would need to re-join either NNC or WNC.

The Business & IP Centre Northamptonshire (BIPC) which supports hundreds of local SMEs is a countywide resource which cannot be split between authorities. The British Library model for the network is regional and they would not support two separate BIPCs within one county as this would be detrimental to the funding model, requiring duplication of resource. There has also been a significant investment of grant funding in the past year to create a BIPC delivery space within the new Cornerstone project in Kettering Library and the enhancement of these services was a key part of the original funding bid for the Cornerstone project. This might lead to challenge from the funding bodies if a BIPC service is no longer delivered.

This is the most expensive option requiring an additional investment between the two authorities, to duplicate staffing, contracts and systems. Some of the IT services and online resources work on licencing models which will need to be duplicated or re-negotiated at additional cost.

The Library Management System including the stock and customer databases would need to be split into two Library Management Systems. To split and run two systems would increase this cost significantly. The first break point in the current contract is July 2024, so full disaggregation of the system would not be possible until then.

If the library service fully disaggregates with duplicate support teams and separate collections then a new warehouse/office facility will need to be sourced and funded by NNC in order to house the support team, Bookstart stock, general library deliveries and parking for a delivery vehicle at additional cost.

There is a high risk of service disruption and inability to deliver on the statutory duty

Option 3 – Disaggregation of Library management and some professional services. Continued commissioning of business support services including Business and IP Centre Northamptonshire.

This option is a hybrid of the other options and provides a way to maintain a seamless customer experience with no perceived reduction in service whilst enabling the two authorities to have full strategic control of their services. It would also mean that the significant majority of the service area is disaggregated, around 95%.

This option would see the Library Management System including the stock and customer databases and virtual Library remain as is. The business support functions including the Business & IP Centre (BIPC) Northamptonshire remain in WNC and be provided to NNC on a commissioned basis.

Strategic Management, Community Library support, professional support and admin functions will disaggregate. This will require some duplication of roles where only one post exists to ensure capacity, expertise and skills in each structure. The specific roles that may require duplication are the Library Service Manager, the Admin assistant, the Programme Co-ordinator for Universal Services and the Performance Analyst dependent on the staffing structure that North Northants wishes to implement.

6. Next Steps

6.1 Subject to the recommendations in this report being approved, the process to disaggregate the service functions will begin and will be completed by April 2023.

6.2 An exit plan would be developed in accordance with the requirements of the Inter Authority Agreement (IAA) for the hosted provision of functions and services between NNC and WNC.

6.3 Staff consultation will be undertaken, and final staffing structures will be proposed by the NNC AD Housing, Communities & Wellbeing and WNC AD Housing & Communities and agreed by both authority's leadership teams.

7. Implications (including financial implications)

7.1. Resources and Financial

7.1.1. The recommended option requires additional investment for staffing. Resources and systems remain shared enabling both councils to benefit from economies of scale.

Of the roles in scope, these will be split on an equitable basis between NNC and WNC. Up to 4 posts may need to be duplicated to ensure adequate capacity and skills in both authorities. These are the Library Service Manager, an admin assistant, the Programme Co-ordinator for Library Universal Services, and a performance analyst. If the 4 posts are duplicated, then the associated additional costs are £156,797 per annum including oncosts between the two authorities. The actual split in additional costs will be dependent on the staffing structures adopted by NNC and WNC which will be determined during the staff disaggregation process.
Whilst there is an additional cost in creating the two management structures, each authority will determine how it can meet those costs within its current budget envelope, whether directly from within the service or elsewhere within the organisation.

7.2. Legal and Governance

7.2.1. A variation to the current IAA between NNC and WNC will need to be agreed.

7.3. Relevant Policies and Plans

7.3.1. The delivery of Library Services is a key factor in the successful delivery of both the West Northamptonshire Corporate Plan and the North Northamptonshire Corporate Plan (including the Corporate Plan - Covid-19 Recovery Plan)

7.3.2. The Public Libraries and Museums Act 1964 places the statutory duty for the council to provide "a comprehensive and efficient" library service.

7.4. **Risk**

7.4.1. Risks around the recommended option are minimal. They include the risk that it may be difficult to recruit to the new posts and upskill them by April 1st, 2023. Mitigation around this would be an agreement to shadow staff in each council during the transition for a fixed period of time beyond April 1st.

7.5. **Consultation**

7.5.1. N/A

7.6. **Consideration by Executive Advisory Panel**

None

7.7. **Consideration by Scrutiny**

7.7.1. N/A

7.8. **Equality Implications**

7.8.1. The recommended option will have no adverse effects on council customers as the current service level will be maintained.

7.9. **Climate Impact**

7.9.1. The continued shared access to the library collections countywide will mean that resources are not required to be duplicated and customers would not need to make unnecessary journeys to access materials from across the county.

7.10. **Community Impact**

7.10.1. The recommended option will ensure that vital services provided to the community by both statutory and community managed libraries are able to continue seamlessly.

7.11. **Crime and Disorder Impact**

7.11.1. N/A

8. **Background Papers**

Shared Service Joint Committee 8th June 2022; Library Support Services - Change Request